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### DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-990]

Prestressed Concrete Steel Rail Tie Wire from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

AGENCY: Enforcement and Compliance, formerly Import Administration, International

Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce ("Department") preliminarily determines that prestressed concrete steel rail tie wire ("PC tie wire") from the People's Republic of China ("PRC") is being, or is likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733(b) of the Tariff Act of 1930, as amended ("the Act"). The period of investigation ("POI") is October 1, 2012, through March 31, 2013. The weighted-average dumping margins are shown in the "Preliminary Determination" section of this notice. The final determination will be issued 135 days after the publication date of this preliminary determination in the <u>Federal Register</u>.

DATES: EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE <u>FEDERAL</u> <u>REGISTER.</u>)

FOR FURTHER INFORMATION CONTACT: Brian Smith or Stephanie Arthur, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1766 and (202) 482-2181, respectively.

#### SUPPLEMENTARY INFORMATION:

## Scope of the Investigation

The product covered by this investigation is high carbon steel wire; stress relieved or low relaxation; indented or otherwise deformed; meeting at a minimum the physical, mechanical, and chemical requirements of the American Society of Testing Materials ("ASTM") A881/A881M specification; regardless of shape, size or alloy element levels; suitable for use as prestressed tendons in concrete railroad ties ("PC tie wire"). High carbon steel is defined as steel that contains 0.6 percent or more of carbon by weight.

PC tie wire is classified under the Harmonized Tariff Schedule of the United States ("HTSUS") subheading 7217.10.8045, but may also be classified under subheadings 7217.10.7000, 7217.10.8025, 7217.10.8030, 7217.10.8090, 7217.10.9000, 7229.90.1000, 7229.90.5016, 7229.90.5031, 7229.90.5051, 7229.90.9000, and 7312.10.3012. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive. Methodology

The Department has conducted this antidumping duty investigation in accordance with section 731 of the Act. Export prices ("EPs") have been calculated in accordance with section 772 of the Act. Because the PRC is a non-market economy within the meaning of section 771(18) of the Act, normal value has been calculated in accordance with section 773(c) of the Act. Specifically, unless specified otherwise, the factors of production ("FOPs") for the

<sup>&</sup>lt;sup>1</sup> Since the initiation of this investigation, based on interested party comments, we modified the scope to add language to, and clarify the meaning of, the phrase "meeting at a minimum the American Society for Testing Materials ("ASTM") A881/A881M specification," and to include two additional HTSUS numbers. For further discussion, see the memorandum entitled "Scope Modification Requests," dated concurrently with this determination.

respondent, Silvery Dragon Group Technology and Trading Co., Ltd. Tianjin ("Silvery Dragon Tech") have been valued using data from the primary surrogate country, Thailand, a country comparable economically to the PRC and a significant producer of comparable merchandise.

For a full description of the methodology underlying our conclusions, see "Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Prestressed Concrete Steel Rail Tie Wire from the People's Republic of China," from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with this notice ("Preliminary Decision Memorandum") and hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at http://iaaccess.trade.gov, and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <a href="http://enforcement.trade.gov/frn/">http://enforcement.trade.gov/frn/</a>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

#### Combination Rates

In the Initiation Notice, the Department stated that it would calculate combination rates for the respondents that are eligible for a separate rate in this investigation.<sup>2</sup> This practice is described in Policy Bulletin 05.1.3

Antidumping Investigations involving Non-Market Economy Countries" (April 5, 2005) ("Policy Bulletin 05.1"), available at http://enforcement.trade.gov/policy/bull05-1.pdf.

<sup>&</sup>lt;sup>2</sup> See Prestressed Concrete Steel Rail Tie Wire From Mexico, The People's Republic of China, and Thailand: Initiation of Antidumping Duty Investigations, 78 FR 29325, 29330 (May 20, 2013) ("Initiation Notice"). See Policy Bulletin No. 05.1, regarding "Separate-Rates Practice and Application of Combination Rates in

# <u>Preliminary Determination</u><sup>4</sup>

The Department preliminarily determines that the following weighted-average dumping margins exist:

Exporter	Producer	Weighted-Average Dumping Margin
Silvery Dragon Group Technology and Trading Co., Ltd. Tianjin	Silvery Dragon Prestressed Materials Co., Ltd. Tianjin	14.64%
PRC-wide Entity*		18.02%

<sup>\*</sup> The PRC-wide entity includes Wuxi Jinyang Metal Products Co., Ltd. and Shanxi New-Mile International Trade Co., Ltd.

### Disclosure and Public Comment

The Department intends to disclose calculations performed for this preliminary determination to the parties within five days after the date of publication of this notice in accordance with 19 CFR 351.224(b). Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance via IA ACCESS no later than seven days after the date on which the verification report is issued in this proceeding, and rebuttal briefs, limited to issues raised in case briefs, must be submitted via IA ACCESS no later than five days after the deadline for filing case briefs.<sup>5</sup> Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with

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<sup>&</sup>lt;sup>4</sup> As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013. See Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (October 18, 2013). Therefore, all deadlines in this segment of the proceeding have been extended by 16 days. If the new deadline falls on a non-business day, in accordance with the Department's practice, the deadline will become the next business day. The revised deadline for the preliminary determination in this investigation is now December 5, 2013.

<sup>&</sup>lt;sup>5</sup> See 19 CFR 351.309.

each argument: (1)A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate in a hearing if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance. An electronically filed request must be received successfully in its entirety by IA ACCESS by 5:00 p.m. Eastern Standard Time, within 30 days after the date of publication of this notice.<sup>6</sup> Hearing requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants in the hearing; and (3) a list of the issues to be discussed at the hearing. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230, at a time and date to be determined.<sup>7</sup> Parties should confirm by telephone the date, time, and location of the hearing, two days before the scheduled date.

## Postponement of Final Determination and Extension of Provisional Measures

Pursuant to a request from the respondent in this investigation, we are postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, we will issue our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.8

### Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we are directing U.S. Customs and Border Protection ("CBP") to suspend liquidation of all entries of PC tie wire from the PRC, as

See also 19 CFR 351.310(c).

ee also 19 CFR 351.210(b)(2) and (e).

described in the scope of the investigation section of this notice, which are entered, or withdrawn

from warehouse, for consumption on or after the date of publication of this notice in the Federal

Register.

We will instruct CBP to require a cash deposit<sup>9</sup> equal to the weighted-average amount by

which the NV exceeds EP, as indicated in the chart above. These suspension of liquidation

instructions will remain in effect until further notice.

International Trade Commission ("ITC") Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary

affirmative determination of sales at LTFV. If our final determination is affirmative, the ITC

will determine before the later of 120 days after the date of this preliminary determination or 45

days after our final determination whether these imports are materially injuring, or threaten

material injury to, the U.S. industry.

This determination is issued and published in accordance with sections 733(f) and

777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: December 5, 2013.

Paul Piquado,

**Assistant Secretary** 

for Enforcement and Compliance.

<sup>9</sup> See Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations, 76 FR 61042 (October 3, 2011).

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# List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Respondent Selection
- 2. Discussion of the Methodology
  - a. Non-Market Economy Country
  - b. Surrogate Country
  - c. Separate Rates
  - d. Application of Facts Available and Adverse Inferences
  - e. Date of Sale
  - f. Fair Value Comparisons
  - g. Factor Valuation Methodology
  - h. Currency Conversion
- 3. Verification

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